

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION**

**UNITED STATES SECURITIES
AND EXCHANGE COMMISSION,**

Plaintiff,

v.

EQUITYBUILD, INC., et al.,

Defendants.

)
)
) **Civil Action No. 18-CV-5587**
)

) **Hon. John Z. Lee**

) **Magistrate Judge Young B. Kim**
)
)
)

**RECEIVER'S RESPONSE TO THE OBJECTION TO THE
THIRD MOTION TO APPROVE THE SALE OF CERTAIN REAL ESTATE**

The Receiver's Third Motion for Approval of the Sale of Certain Real Estate seeks an order authorizing the sale of the property at 8047-55 South Manistee Avenue in Chicago, Illinois ("8047-55 South Manistee"). An objection was filed by creditor Kirk Road Investments LLC ("Kirk Road") regarding the use of the sales proceeds. (Docket No. 594) Kirk Road asserts an unrecorded interest in the property and therefore asks this Court to require that the proceeds of the sale be held in a separate subaccount established by the Receiver (and for which the Receiver will maintain an accounting as to all sums deposited therein).

Given the need to close the sale of this property as soon as practicable, and given that the issues raised in Kirk Road's objection will require further investigation and analysis and can be addressed during the claims process, the Receiver agrees to deposit the proceeds from the sale of 8047-55 South Manistee in a separate subaccount to moot the objection and allow the sale to be consummated. In so doing, the Receiver neither concurs with the objection nor admits any facts or legal conclusions contained therein, and thus reserves all rights to contest any aspect of the objection at a later date, including but not limited to any future claims regarding the validity or

priority of the alleged unrecorded interest. In the interim, the Receiver will continue his investigation into the pertinent issues.

WHEREFORE, the Receiver respectfully requests that the Court enter an order approving the sale of 8047-55 South Manistee, with the proceeds from the sale to be held in a separate subaccount established by the Receiver (and for which the Receiver will maintain an accounting as to all sums deposited therein), subject to any and all reservations of rights by the Receiver.

Dated: January 16, 2020

Kevin B. Duff, Receiver

By: /s/ Michael Rachlis

Michael Rachlis
Nicole Mirjanich
Rachlis Duff & Peel, LLC
542 South Dearborn Street, Suite 900
Chicago, IL 60605
Phone (312) 733-3950; Fax (312) 733-3952
mrachlis@rdaplawn.net
nm@rdaplawn.net

CERTIFICATE OF SERVICE

I hereby certify that on January 16, 2020, I provided service of the foregoing Receiver's Response to the Objections to the Third Motion to Approve Sale of Certain Real Estate, via ECF filing to all counsel of record, and via electronic mail to Defendant Jerome Cohen at jerryc@reagan.com.

By: /s/ Michael Rachlis

Michael Rachlis
Rachlis Duff & Peel, LLC
542 South Dearborn Street, Suite 900
Chicago, IL 60605
Phone (312) 733-3950; Fax (312) 733-3952
mrachlis@rdaplawnet